No. 66.

DEC 3 1898
JAMES H. MCKENNEY,
Clerk

Laws of Minnesota filed by Petr.

Filed Dec 3, 1898.

Supreme Court of the United States.

OCTOBER TERM, 1898.

No. 66

THE MISSOURI, KANSAS AND TEXAS TRUST COMPANY, PETITIONER,

vs.

THEODORE M. KRUMSEIG ET AL.

LAWS OF MINNESOTA REFERRED TO AT PAGE 10 OF BRIEF FOR PETITIONER.

LAWS OF MINNESOTA, GENERAL, 1877.

CHAPTER 15.

An act to amend section one (1), chapter twenty-three (23), of the Revised Statutes of one thousand eight hundred and sixty-six (1866), the same being chapter thirty-eight (38), Bissell's Statutes, relating to interest on money.

Be it enacted by the legislature of the State of Minnesota:

SECTION 1. No person, company, or corporation shall, directly or indirectly, take or receive in money, goods or

things in action, or in any other way, any greater sum, or any greater value, for the loan or forbearance of money, goods or things in action, than twelve dollars ($12) on one hundred dollars ($100) for one (1) year; and in the computation of interest upon any bond, note, or other instrument or agreement, interest shall not be compounded. But any contract to pay interest not usurious upon interest overdue, shall not be construed to be usury.

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LAWS OF MINNESOTA, GENERAL, 1879.

CHAPTER 66.

An act relating to interest on money and usury.

Be it enacted by the legislature of the State of Minnesota:

SECTION 1. That interest for any legal indebtedness shall be at the rate of seven (7) dollars upon one hundred (100) dollars for a year, unless a different rate is contracted for in writing, and no person, company, or corporation, shall directly or indirectly take or receive in money, goods or things in action or in any other way, any greater sum or any greater value for the loan or forbearance of money, goods or things in action than ten (10) dollars on one hundred (100) dollars for one year; and in the computation of interest upon any bond, note or other instrument or agreement, interest shall not be compounded. But any contract to pay interest not usurious upon interest overdue shall not be construed to be usury.

SEC. 2. Every person who for any such loan or forbearance, shall have paid or delivered any greater sum or value than is above allowed to be received, may by himself or his personal representatives, recover in an action against the person who shall have taken or received the same, or his personal representatives, the full amount of interest or premium so paid, with costs, if such action shall be brought

within two (2) years after such payment or delivery. *Provided*, That one-half of the amount so recovered shall be paid by the officer collecting the same into the county treasury of the county where such penalty is collected, for the use of the common schools.

SEC. 3. All bonds, bills, notes, assurances, conveyances, chattel mortgages, and all other contracts and securities whatsoever, and all deposits of goods, or anything whatever, whereupon or whereby there shall be reserved, secured or taken any greater sum or value for the loan or forbearance of any money, goods or things in action, than is above prescribed, shall be void, except as to the *bona fide* purchasers of negotiable paper as hereinafter provided in good faith, for a valuable consideration before maturity. *Provided*, That no merely clerical error in the computation of interest made with no intent to avoid the provisions of this act shall constitute usury. *Provided further*, That interest at the rate of one-twelfth of ten per centum for every thirty (30) days, shall be construed not to exceed ten per centum per annum. *Provided further*, That the payment of interest in advance for one year at a rate not to exceed ten per centum per annum, shall not be construed to constitute usury. *Provided further*, That nothing herein shall be construed to prevent the purchase of negotiable mercantile paper, usurious or otherwise, for a valuable consideration, by an innocent purchaser, free from all equities at any price, before the maturity of the same, when there has been no intent to evade the provisions of this act, or where said purchase has not been a part of the original usurious transaction. In any case, however, where the original holder of a usurious note sells the same to an innocent purchaser, the maker of said note or his representatives shall have the right to recover back from the said original holder, the amount of principal and interest paid by him on said note.

SEC. 4. Every person, company or corporation offending against the provisions of this act, shall be compelled to

answer on oath any complaint that may be exhibited or filed against him in the district court for the proper county, for the discovery of any sum of money, goods, or things in action so taken, accepted or received, in violation of any of the foregoing provisions.

SEC. 5. Whenever in any action in any court the defendant shall plead or answer the defense of usury, either party to the action may be a witness in his own behalf on the trial, except in actions in which the opposite party sues or defends as administrator or personal representative of a deceased person; except also actions in which the opposite party claims as assignee, and the original assignee is deceased. In case of all notes or other instruments bearing interest, when no rate of interest is specified after maturity, the said note or other instrument shall be construed to bear the same rate of interest after maturity as before, and until fully paid and satisfied.

SEC. 6. Whenever it satisfactorily appears to a court that any bond, bill, note, assurance, pledge, conveyance, contract, security or evidence of debt, has been taken or received in violation of the provisions of this act, the court shall declare the same to be void, and enjoin any proceeding thereon, and shall order the same to be canceled and given up.

SEC. 7. Section one (1) of chapter fifteen (15) of the General Laws of one thousand eight hundred and seventy-seven (1877), and section one (1) of chapter twenty-three (23) of the General Statutes of one thousand eight hundred and sixty-six (1866), and all acts and parts of acts inconsistent with the provisions of this act are hereby repealed. But none of the provisions of the act shall apply to mutual building associations.

SEC. 8. This act shall take effect and be in force from and after the first (1st) day of July, A. D. one thousand eight hundred and seventy-nine (1879).

Approved March 5, 1879.